

Financial Year  
Ended March 2021

# Business Result

May 10, 2021

**Shin-Etsu**

Shin-Etsu Polymer Co., Ltd.  
Listing code:7970

September 15, 2020

The 60th anniversary of our founding



**Shin-Etsu**  
Shin-Etsu Polymer Co., Ltd.



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# 1. Main Points of Consolidated Performance

## Point 1

Demand in the automotive sector, etc.  
was sluggish due to COVID-19.



**Sales of automotive input devices and  
PVC products were sluggish.**

## Point 2

The semiconductor industry and  
electronic component industry remained strong.



**Sales of semiconductor related  
containers were steady.**

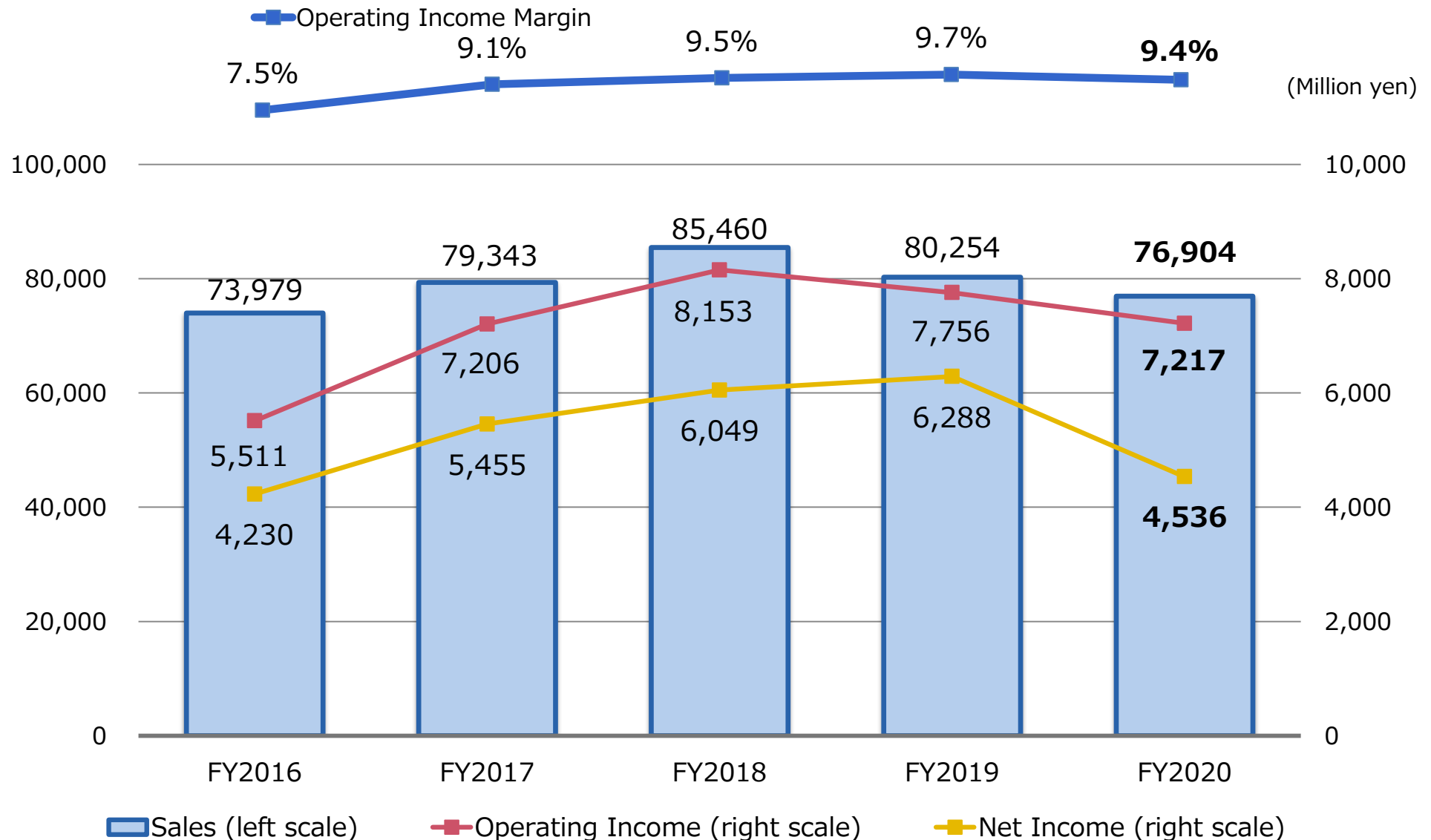
## 2. Summary of Consolidated Performance

(Million yen)

	FY2019	FY2020	Change	
<b>Net Sales</b>	<b>80,254</b>	<b>76,904</b>	<b>△ 3,350</b>	<b>△ 4.2%</b>
<b>Operating Income</b>	<b>7,756</b>	<b>7,217</b>	<b>△ 539</b>	<b>△ 6.9%</b>
<b>Ordinary Income</b>	<b>8,097</b>	<b>7,021</b>	<b>△ 1,076</b>	<b>△ 13.3%</b>
<b>Net Income</b>	<b>6,288</b>	<b>4,536</b>	<b>△ 1,752</b>	<b>△ 27.9%</b>
<b>Net Income per Share (yen)</b>	<b>77.55</b>	<b>56.09</b>	<b>△ 21.46</b>	<b>△ 27.7%</b>
<b>Dividend per Share (yen)</b>	<b>18.0</b>	<b>20.0</b>	<b>2.0</b>	<b>11.1%</b>
<b>Exchange Rate</b> (yen/US dollar)	Jan.-Dec.(Ave)	<b>109.1</b>	<b>△ 2.3</b>	<b>△ 2.1%</b>
	Apr.-Mar.(Ave)	<b>108.7</b>	<b>△ 2.6</b>	<b>△ 2.4%</b>

Notes: Average exchange rates for January-December are used when converting the income statements of overseas subsidiaries into yen.

# 3. Changes in Consolidated Financial Results

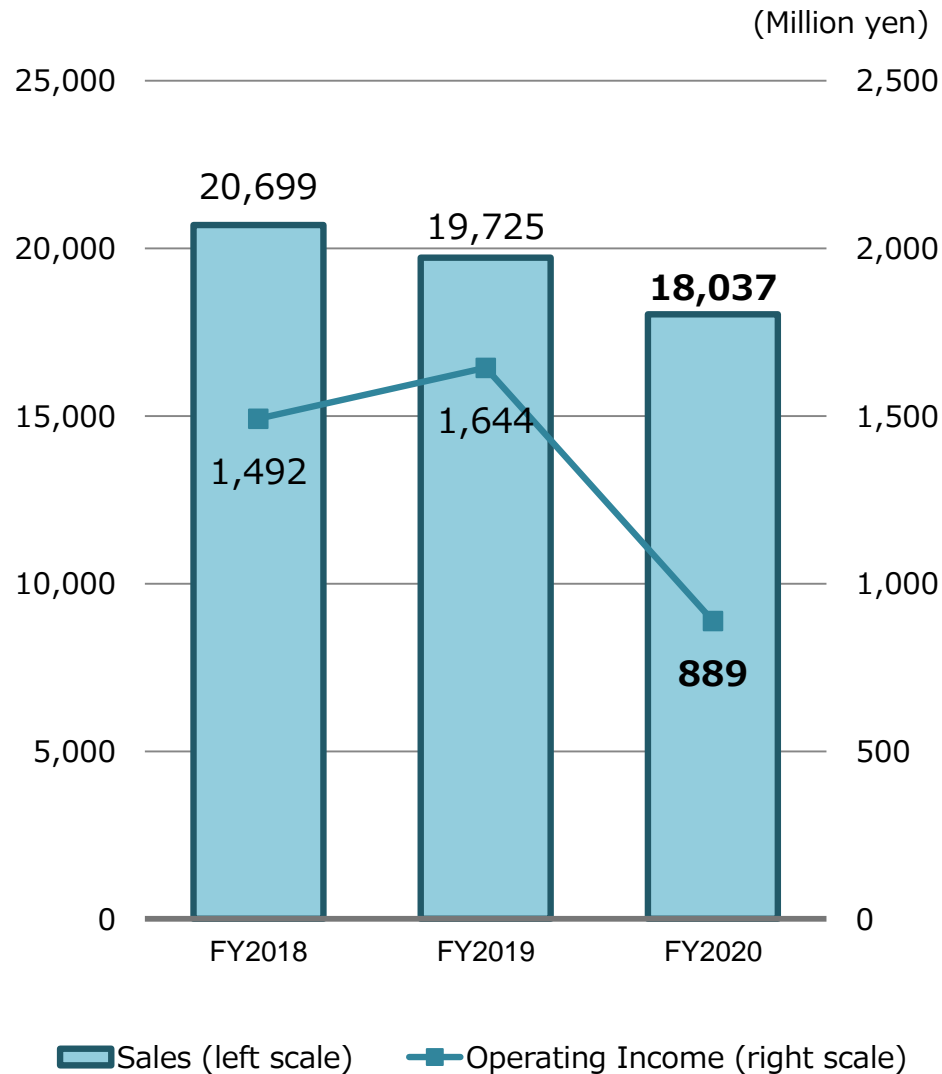


## 4. Summary of Performance by Business Segment

(Million yen)

	Sales				Operating Income			
	FY2019	FY2020	Change		FY2019	FY2020	Change	
Electronic Devices	19,725	18,037	△ 1,688	△ 8.6%	1,644	889	△ 755	△ 45.9%
Precision Molding Products	33,451	34,160	709	2.1%	5,125	5,517	392	7.6%
Housing & Living Materials	19,009	17,736	△ 1,273	△ 6.7%	508	539	31	6.1%
Others	8,067	6,969	△ 1,098	△ 13.6%	478	272	△ 206	△ 43.1%
Total	80,254	76,904	△ 3,350	△ 4.2%	7,756	7,217	△ 539	△ 6.9%

# 5. Performance by Business Segment Electronic Devices



## ■ Input devices

Shipments of automotive key switches were lackluster, despite recovery in the latter half of the fiscal year under review. Demands for touchpads for thin laptop remained strong.

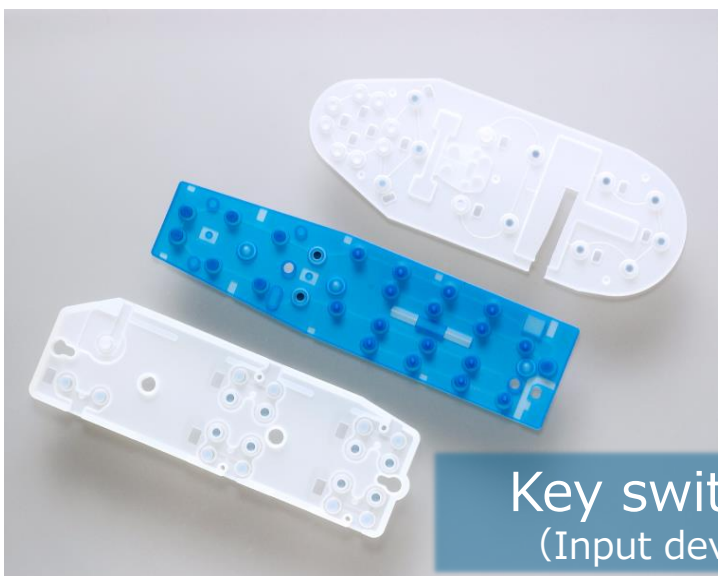
## ■ Display-related products

Shipments of LCD connectors continued poor performance. Sales of view control film (VCF) for optical use remained flat.

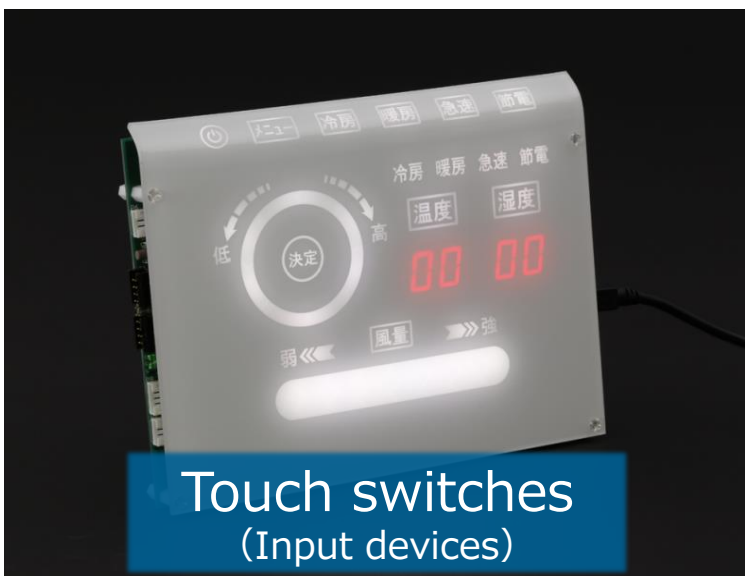
## ■ Component-related products

Shipments of testing connectors were increased. Sales of automotive-related products as wiper parts were sluggish.

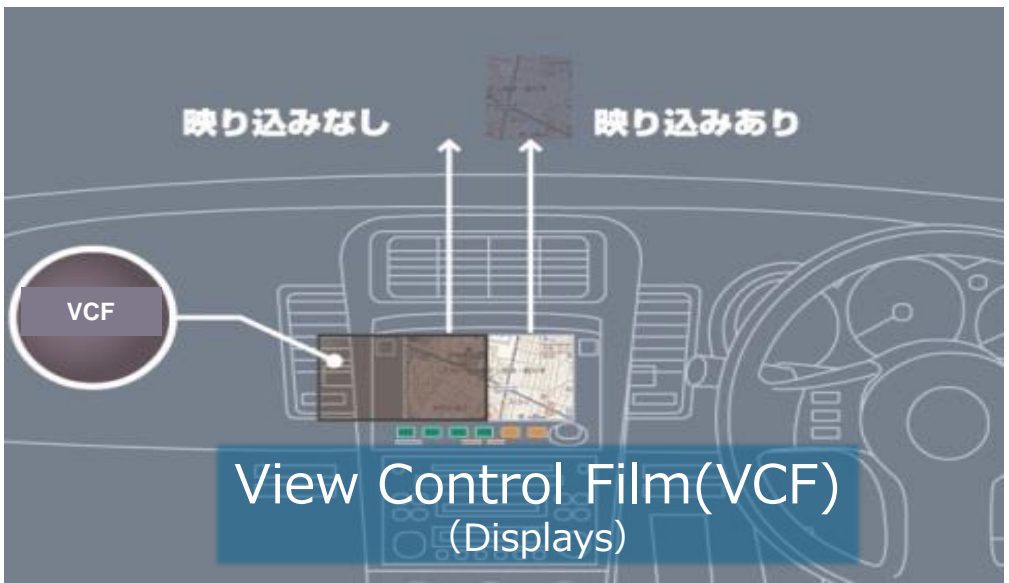
# 5. Performance by Business Segment Electronic Devices



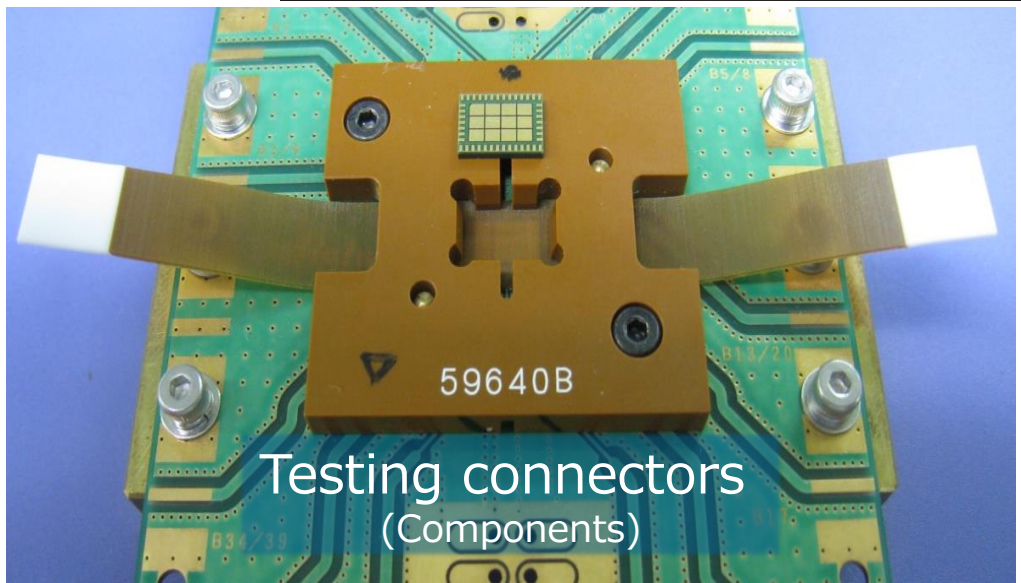
**Key switches**  
(Input devices)



**Touch switches**  
(Input devices)



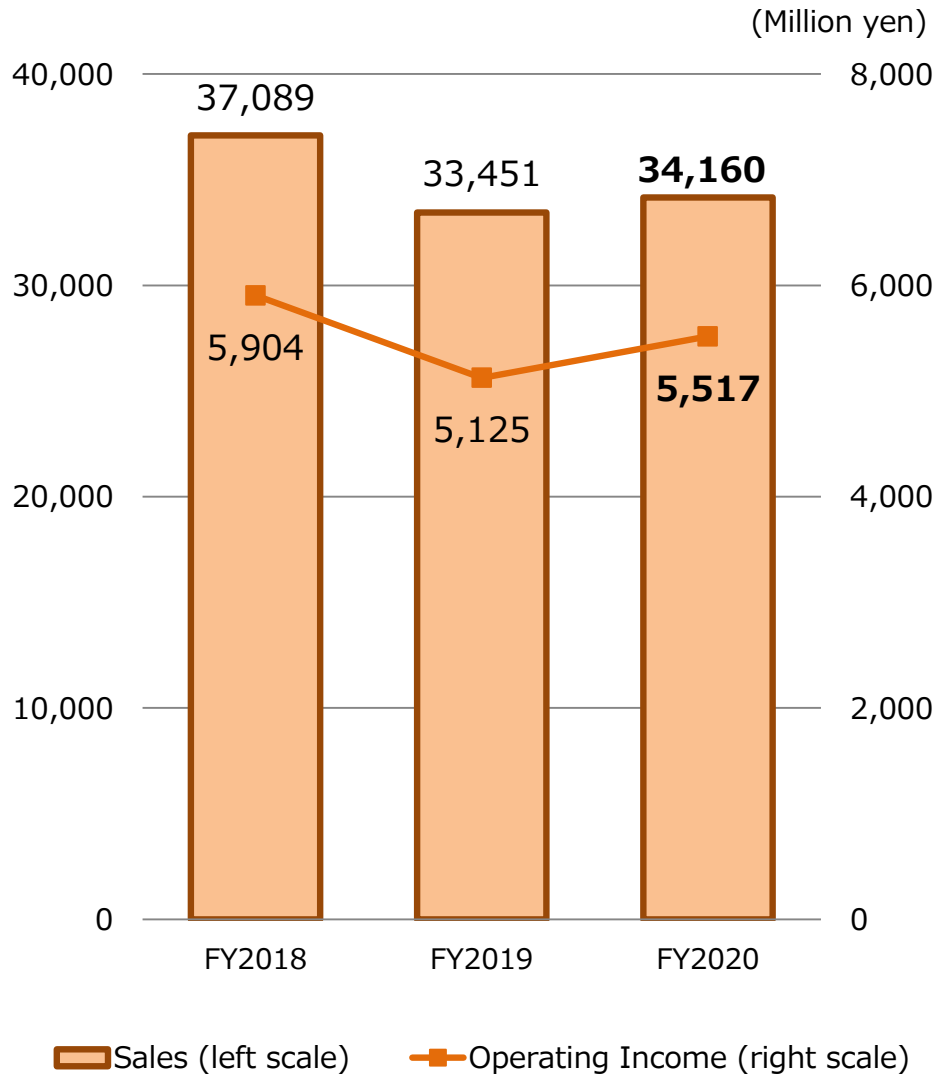
**View Control Film(VCF)**  
(Displays)



**Testing connectors**  
(Components)



# 5. Performance by Business Segment Precision Molding Products



## ■ Semiconductor-related containers

Sales of 300-mm wafer shipping containers were steady.

## ■ OA device components

Sales of mainstay development rollers were sluggish.

## ■ Carrier tape-related products

Demands for use in small electronic components were strong.

## ■ Silicone rubber molded products

Sales of medical products remained flat.

# 5. Performance by Business Segment Precision Molding Products



**Wafer containers**  
(Silicone wafer containers)



**Embossed carrier tapes**

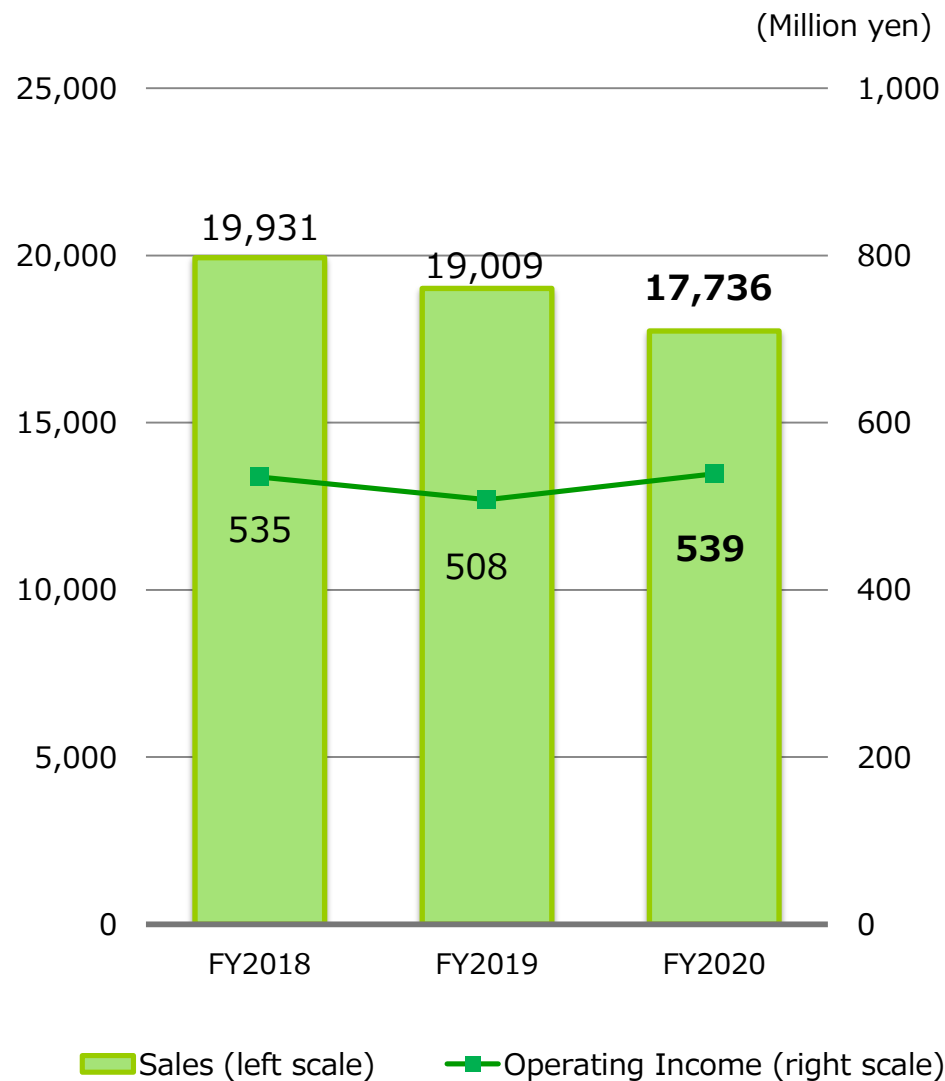


**OA rollers**  
(OA device components)



**Medical components / Catheter**  
(Silicone rubber molded products)

## 5. Performance by Business Segment Housing & Living Materials



### ■ Wrapping films

Shipments of supermarkets were steady, but for food services were dropped.

### ■ Functional compounds

Shipments of robot cables were sluggish. Demands for automobiles also decreased.

### ■ Exterior material-related products

Demands for corrugated sheets were settled down.

### ■ Conductive polymers

Orders for use in automotive electronic components were increased.

# 5. Performance by Business Segment Housing & Living Materials



Wrapping films



Corrugated sheets  
(Exterior products)



Functional compounds



Conductive polymers

# 6. Financial Statements Comparative Balance Sheet

		(Million yen)		
		FY2019	FY2020	Change
<b>Current Assets</b>	Cash and deposits	42,514	47,620	5,106
	Notes and accounts receivable - trade Electronically recorded monetary claims - operating	22,121	22,043	△ 78
	Inventory assets	11,696	10,877	△ 819
	Other	1,344	1,650	306
	<b>Total</b>	<b>77,676</b>	<b>82,191</b>	<b>4,515</b>
<b>Noncurrent Assets</b>	Property, plant and equipment	23,579	22,292	△ 1,287
	Intangible assets	156	145	△ 11
	Other	3,966	3,583	△ 383
	<b>Total</b>	<b>27,701</b>	<b>26,021</b>	<b>△ 1,680</b>
<b>Total assets</b>	<b>105,378</b>	<b>108,212</b>	<b>2,834</b>	
<b>Current Liabilities</b>	Notes and accounts payable - trade Electronically recorded obligations - operating	12,649	12,625	△ 24
	Short-term loans payable	0	0	0
	Other	6,122	7,009	887
	<b>Total</b>	<b>18,771</b>	<b>19,635</b>	<b>864</b>
<b>Noncurrent Liabilities</b>	Long-term loans payable	0	0	0
	Net defined benefit liability	1,341	1,167	△ 174
	Other	726	732	6
	<b>Total</b>	<b>2,068</b>	<b>1,899</b>	<b>△ 169</b>
<b>Total liabilities</b>	<b>20,839</b>	<b>21,535</b>	<b>696</b>	
<b>Total net assets</b>	<b>84,538</b>	<b>86,677</b>	<b>2,139</b>	
<b>Total liabilities and net assets</b>	<b>105,378</b>	<b>108,212</b>	<b>2,834</b>	

# 6. Financial Statements Comparative Statement of Income

(Million yen)

	FY2019	FY2020	Change	
<b>Net sales</b>	<b>80,254</b>	<b>76,904</b>	△ 3,350	△ 4.2%
Cost of sales	54,561	52,922	△ 1,639	△ 3.0%
Selling, general and administrative expenses	17,936	16,764	△ 1,172	△ 6.5%
<b>Operating income</b>	<b>7,756</b>	<b>7,217</b>	△ 539	△ 6.9%
Non-operating income	666	443	△ 223	△ 33.5%
Non-operating expenses	326	639	313	96.0%
<b>Ordinary income</b>	<b>8,097</b>	<b>7,021</b>	△ 1,076	△ 13.3%
Extraordinary loss	-	619	619	-
<b>Income before income taxes and minority interests</b>	<b>8,097</b>	<b>6,402</b>	△ 1,695	△ 20.9%
Income taxes—current	1,601	1,645	44	2.7%
Income taxes—deferred	207	219	12	5.8%
<b>Net income</b>	<b>6,288</b>	<b>4,536</b>	△ 1,752	△ 27.9%

## 6. Financial Statements Cash Flow Statement

(Million yen)

	FY2019	FY2020
Cash flow provided by (used in) operating activities	7,688	10,641
Net cash provided by (used in) investing activities	△ 4,629	△ 3,736
Net cash provided by (used in ) financing activities	△ 1,813	△ 1,691
Cash and cash equivalents at end of period	41,675	45,948

## 7. Capital Expenditure, Depreciation, Research & Development Costs

(Million yen)

	FY2017	FY2018	FY2019	FY2020
<b>Capital Expenditure</b>	<b>5,420</b>	<b>6,023</b>	<b>3,032</b>	<b>3,147</b>
<b>Depreciation</b>	<b>3,011</b>	<b>3,790</b>	<b>3,939</b>	<b>3,511</b>
<b>R&amp;D Costs</b>	<b>3,382</b>	<b>4,249</b>	<b>3,896</b>	<b>3,588</b>



## 7. Capital Expenditure, Depreciation, Research & Development Costs

### Shin-Etsu Polymer India - 3rd plant

(Scheduled to be completed in May 2021 )



The slide features a light blue background with a grid pattern. A large white circle on the left contains a blue-tinted globe showing the Americas. A dark blue horizontal bar overlaps the globe, containing the text 'Company Overview'. To the right, a dark green arc curves around the globe, and a network of white and yellow lines with nodes is visible on the right side.

# Company Overview

# 【Company Overview】 Profile

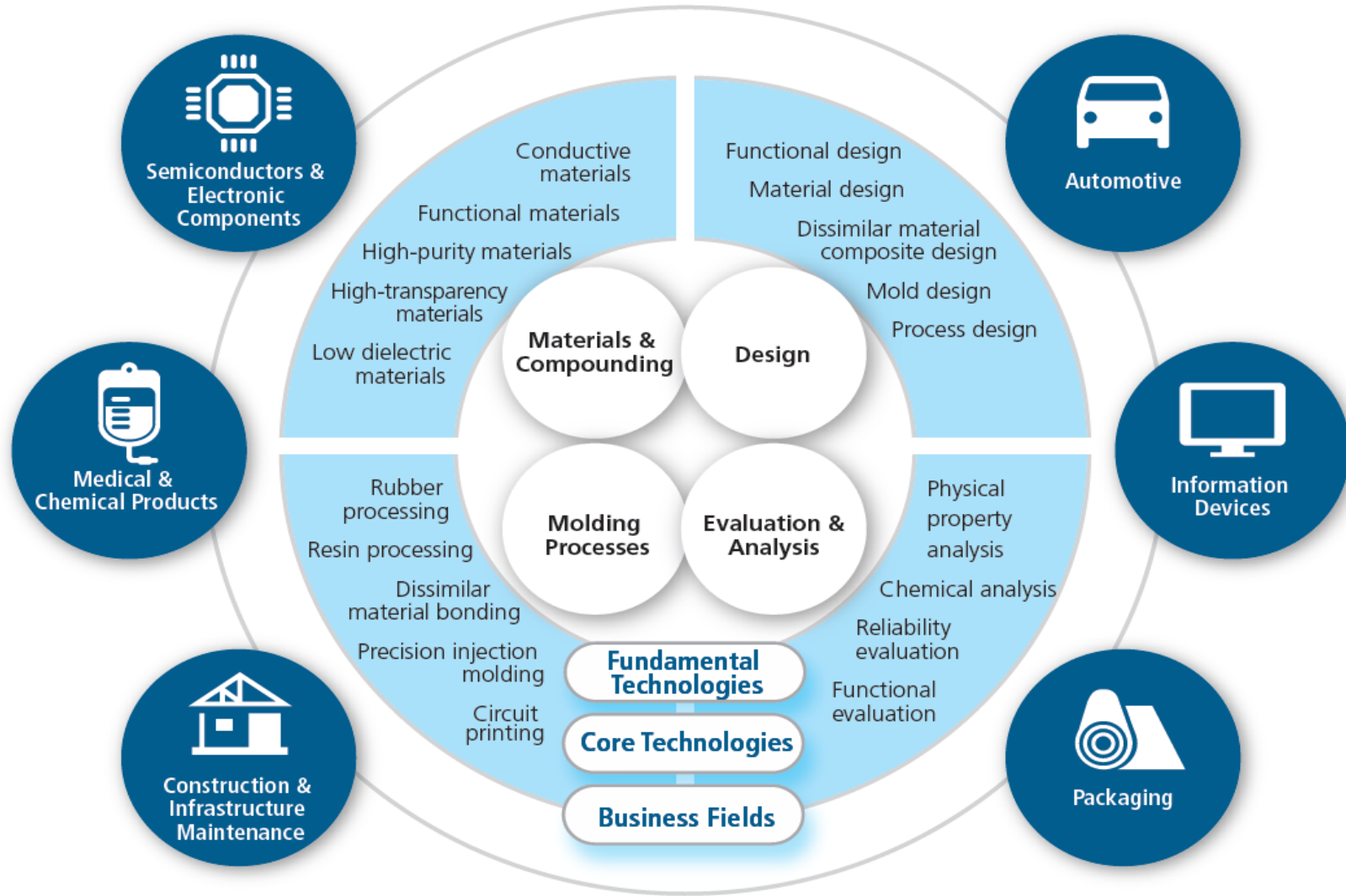
**Shin-Etsu Polymer was established in 1960  
as a manufacturer of polyvinyl chloride (PVC) products.**

**Since then, we have developed applications for our fundamental technologies using  
silicone and various plastics involving materials and compounding, design, molding  
processes, and evaluation and analysis.**

**As a manufacturer of molded plastic products,  
we meet diverse customer needs in a wide array of fields from automobiles and  
information devices to semiconductors and construction materials.**

<b>Established</b>	September 15, 1960, as a wholly owned subsidiary of Shin-Etsu Chemical Co., Ltd.
<b>Main businesses</b>	Manufacture and sale of resin processed products Operates businesses in a wide array of fields from electric and electronic devices to construction materials
<b>Paid-in capital</b>	11,635 million yen
<b>Number of consolidated subsidiaries</b>	14
<b>Number of employees</b>	5,089 (consolidated), 996 (non-consolidated) (As of March 31, 2021)

# 【Company Overview】 Technological Development



## Ability to Meet Global Needs

(As of September 30, 2020)



The background of the slide features a large, semi-transparent globe of the Earth on the left side, showing the Americas. A dark teal horizontal bar is overlaid on the globe, containing the text 'Reference Materials'. To the right of the globe, there is a complex network of white and yellow lines and dots, resembling a circuit board or a data network, set against a light teal background with a grid pattern. A thick, dark teal curved line arches over the globe and network.

# Reference Materials

# 【Reference Materials】 Financial Summary

(Million yen)

	FY2016	FY2017	FY2018	FY2019	FY2020
Net sales	73,979	79,343	85,460	80,254	76,904
Operating income	5,511	7,206	8,153	7,756	7,217
Ordinary income	5,934	7,274	8,026	8,097	7,021
Current net income	4,230	5,455	6,049	6,288	4,536
Total assets	96,061	103,667	107,032	105,378	108,212
Net assets	72,890	77,510	80,560	84,538	86,677
Equity ratio	75.8%	74.6%	75.1%	80.0%	79.8%
Current net income per share (yen)	51.60	66.48	74.27	77.55	56.09
Annual dividend per share (yen)	12.00	12.00	16.00	18.00	20.00
Operating margin	7.5%	9.1%	9.5%	9.7%	9.4%
ROE - Return (Net income on equity)	5.9%	7.3%	7.7%	7.6%	5.3%
ROA - Return (Ordinary income on assets)	6.3%	7.3%	7.6%	7.6%	6.6%
Number of employees	4,144	4,407	4,614	4,655	5,089

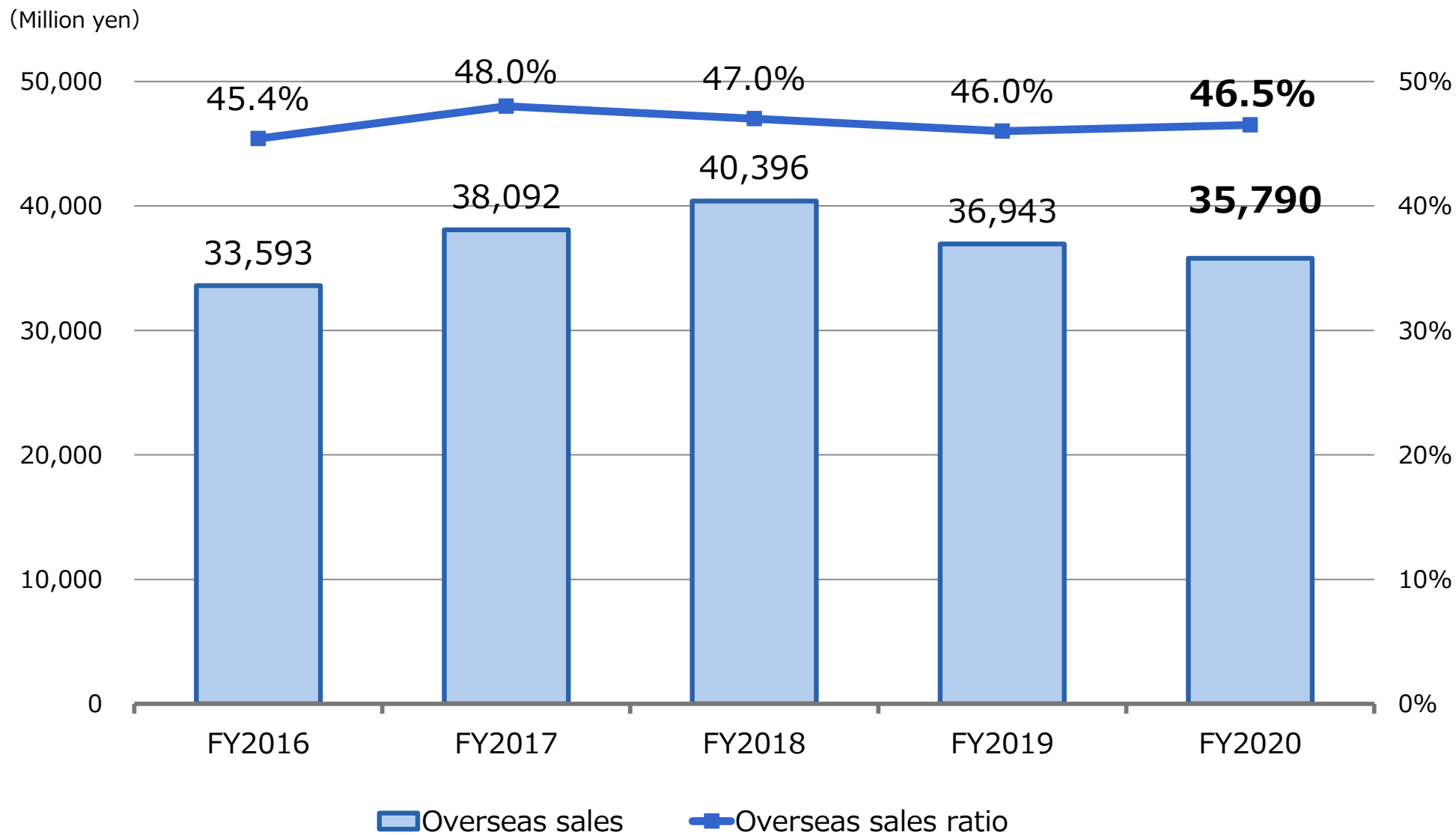
# 【Reference Materials】 Quarterly Changes by Business Segment

(Million yen)

		FY2019						FY2020					
		1Q	2Q	1st half	3Q	4Q	2nd half	1Q	2Q	1st half	3Q	4Q	2nd half
Electronic Devices	Net Sales	4,894	5,220	10,115	4,972	4,636	9,609	4,417	3,507	7,924	4,828	5,283	10,112
	Operating Income	376	415	792	445	406	851	103	△ 135	△ 32	267	653	921
Precision Molding Products	Net Sales	7,979	8,375	16,354	8,698	8,398	17,096	8,328	8,344	16,673	8,407	9,079	17,487
	Operating Income	1,195	1,408	2,603	1,219	1,302	2,521	1,152	1,401	2,554	1,305	1,657	2,962
Housing & Living Materials	Net Sales	4,767	4,898	9,665	4,972	4,371	9,343	4,126	4,319	8,445	4,711	4,580	9,291
	Operating Income	161	202	363	87	57	144	32	57	89	277	172	449
Others	Net Sales	1,796	2,353	4,149	1,794	2,123	3,918	1,460	1,288	2,748	2,042	2,179	4,221
	Operating Income	86	78	165	165	148	313	70	22	93	108	70	178
Total	Net Sales	19,438	20,848	40,286	20,438	19,529	39,968	18,332	17,459	35,791	19,990	21,122	41,112
	Operating Income	1,820	2,105	3,925	1,917	1,913	3,831	1,359	1,345	2,705	1,958	2,554	4,512



# 【Reference Materials】 Net Sales for Overseas





## **Forward-Looking Statements**

This document contains information about Shin-Etsu Polymer's current plans, strategies and other items not based on historical fact. These are forward-looking statements that involve risks and uncertainties. Actual results may differ significantly from those discussed in the forward-looking statements due to various factors in the Company's operating environment, including changes in economic and market conditions, foreign exchange rates and demand trends.

Note: All yen figures in this document have been rounded down to the nearest unit.